

THE TRENDS—AND TRAPS—SHAPING 2025

The global business landscape in 2025 is poised at a critical juncture of political shifts, regulatory scrutiny, technological breakthroughs, and evolving market demands.

In this report, our lawyers explore the key trends and potential pitfalls that organizations across industries and regions may face in 2025 and beyond. Drawing insights from a wide range of developments—from the implications of geopolitical changes to the rise of innovative technologies—this compilation offers a strategic outlook to empower tactical decision-making for businesses worldwide.

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BUSINESS OPERATIONS

Interest Rates and Bankruptcy Risks

In 2024, all eyes were on the Federal Reserve anticipating what would happen with the interest rate. With an overall slight drop by the end of the year, the question on many minds was what the current rate and potential action in 2025 would mean for bankruptcy and restructuring efforts.

"We're going to continue to see an uptick in Chapter 11 and 7 filings, certainly through the first half of next year. . . . While even slightly lower rates will certainly help struggling companies a little, it still takes time for the lower rates to lead to cheaper financing." – Matthew O'Donnell

• For more information, view our <u>bankruptcy</u>, <u>restructuring</u>, <u>and insolvency</u> capabilities and read <u>What Lower Rates?</u> Ch. 11s Expected to Stay Sticky in 2025, <u>Law360</u>

Key Trends for Family Offices

As family offices continue to adapt to economic, financial, and technological changes, several ongoing developments are giving these practices plenty to consider heading into 2025.

"These issues include gift and estate tax exemptions, which are set to halve at the start of 2026; federal and state updates regarding noncompete agreements; ongoing IRS campaigns around sports investing and business aircraft use; a federal mandate regarding anti-money laundering programs; and the evolving use of artificial intelligence in cybersecurity." – <u>Sara Wells</u>, <u>Jacqueline Aguilera</u>, <u>Jennifer Breen</u>, <u>John O'Brien</u>, <u>Brian Slough</u>

• For more information, view our <u>family offices</u> capabilities and read <u>5 Evolving Concerns for</u> Family Offices in 2025, *Law360*

Congressional Investigations Under a Republican Trifecta

As the Republican-controlled 119th US Congress commences and the new US administration takes office, the private sector should brace for heightened scrutiny across a range of critical issues. With a Republican trifecta, Congress is less incentivized to take an aggressive approach to reviewing, monitoring, and supervising executive branch activities, and instead will turn its focus to the private sector.

Expected coordination between Congress and the Executive Branch raises the stakes for companies, potentially exposing them to simultaneous criminal, civil administrative, and congressional investigations. This environment will likely amplify risks in various areas: supply chains, particularly in the technology and pharmaceutical industries; government contracting; and cross-border investment. – <u>Amanda</u> Robinson, David Plotinsky, Emily Ahdieh

 For more information, view our <u>congressional investigations</u> and <u>US administration policies</u> and <u>priorities</u> capabilities and read <u>Republican Trifecta Amplifies Risks for Cos. in 3 Key Areas</u>, <u>Law360</u>

Responding to US-Canada-Mexico Tariff Changes

In 2025, tariffs on imports from Canada and Mexico could significantly impact the automotive supply chain, forcing suppliers to evaluate strategies for adapting to higher costs and potential disruptions. These tariffs, including a proposed 25% duty on imports and potential renegotiation of the US-Mexico-Canada Agreement, could reshape sourcing decisions for US automakers and suppliers alike.

"Depending on how these proposals are realized, supply chains in Canada and Mexico could become significantly more expensive under increased tariffs and thus less desirable for US automakers and US-based assembly plants." – <u>Katelyn Hilferty</u>, <u>Casey Weaver</u>

For more information, view our <u>international trade and national security</u> and <u>US</u>
 administration policies and priorities capabilities and read <u>How Auto Suppliers Can Prepare</u>
 for Tariffs Against Canada and Mexico, *Supply Chain Dive*

How Political Changes Shape Employer Obligations

In line with the proposed policies and actions from the first Trump administration, changes under the new US administration may include a shift toward more employer-friendly policies within the Department of Labor (DOL), a rollback of pro-union positions by the National Labor Relations Board (NLRB), and a more critical stance on diversity initiatives by the Equal Employment Opportunity Commission (EEOC) and the Office of Federal Contract Compliance Programs (OFCCP), among other potential changes.

• For more information, view our <u>labor</u>, <u>employment</u>, <u>and benefits</u> and <u>US administration</u> <u>policies and priorities</u> capabilities and read <u>The Impact of the US Election on Labor and Employment Law</u>, <u>Morgan Lewis LawFlash</u>

Social Insurance Compliance in China

A tightening scrutiny of social insurance contributions, and the duty of collecting them, by the Chinese government could pose increasing challenges to social insurance compliance, an area employers should consider.

"[I]t would be prudent for employers in China (particularly those with employees working in locations other than where the employing entity is registered) to review social insurance enrolment and contribution practices to ensure compliance." – <u>Lesli Ligorner</u>, <u>Bill Huang</u>, <u>Liangyu Mao</u>

• For more information, view our <u>global employment</u> capabilities and read <u>Intensifying Scrutiny</u> on Social Insurance Compliance in China, <u>International Employment Lawyer</u>

Evolving Employment and Immigration Law Developments

United Kingdom

After the introduction of the Employment Rights Bill in 2024, 2025 is set to be a year of notable change for the United Kingdom with respect to employment and immigration law. What should employers do to prepare?

"The Bill proposes reforms in 28 broad areas, including, for instance, in relation to unfair dismissal, fire and rehire practices, collective redundancies, trade unions and industrial action, rights to request flexible working, sexual harassment and third-party harassment, equality action plans, zero hours contracts and pregnancy discrimination. As further detail on each proposed reform becomes published throughout 2025 and early 2026, we expect many organizations to begin rolling out new policies and procedures, and training HR, managers, and all employees, where appropriate, on the new reforms prior to them entering into force." – Matthew Howse, Louise Skinner, Jennifer Connolly

• For more information, view our <u>global employment</u> capabilities and read <u>Get Ready For Big Employment Law Changes In UK This Year</u>, *Law360*

Middle East

The start of 2025 will keep Middle East HR practitioners and employment lawyers busy, with the introduction of amendments to the Labor Law in the Kingdom of Saudi Arabia and new Employment Regulations in the Abu Dhabi Global Markets, UAE.

"Both legal developments are stated to enhance rights and obligations within the employment relationship and bring the jurisdictions in line with global workforce expectations. Both sets of laws are likely to require employers to adjust policies and practices, and amend existing contractual terms." – Rebecca Ford

• For more information, view our <u>global employment</u> capabilities and read <u>Middle East Employment Reforms 2025</u>, *The Oath*

Trends in the European Secondaries Market

The European secondaries market has been evolving rapidly, with several key trends shaping its landscape.

"In addition to GPs seeking to raise their first continuation funds, [expect] more European GPs that have successfully raised a continuation vehicle over the past two to five years to seek to raise their next one over the course of the next year." – <u>Ted Craig</u>

• For more information, view our <u>secondary transactions</u> and <u>investment management</u> capabilities and read <u>While Far From an Avalanche, Opportunities to Emerge in Europe in 2025, Secondaries Investor</u>

GOVERNMENT REGULATIONS AND LEGISLATION

Digital Operational Resilience in the EU

The Digital Operational Resilience Act (DORA) applies to financial institutions, investment firms, fund management companies, insurance undertakings, and other regulated financial entities regulated in the EU. DORA aims to strengthen operational resilience by ensuring prudent risk management of information and communication technology (ICT) services, including an organization's cloud, software-as-a-service, digital data, and IT infrastructure arrangements.

Financial entities must be compliant with DORA as of January 17, 2025. Implementation efforts accelerated in recent months to meet the deadline and in many cases are still ongoing. The European Supervisory Authorities (ESAs) published a joint statement in December 2024 emphasizing the importance of financial entities adopting a robust, structured approach to meet their obligations in a timely manner.

• For more information, view our <u>technology transactions</u>, <u>outsourcing</u>, <u>and commercial</u> <u>contracts</u> capabilities and read <u>Preparing for DORA: Compliance Deadline Arrives</u>, <u>Morgan Lewis Tech & Sourcing Blog</u>

UK and EU Crypto-Assets Regulation Outlook in 2025

"Against the backdrop of the rapidly transforming digital landscapes in the UK and European Union, and evolving innovative financial instruments and technologies, the UK and EU crypto-asset regulatory frameworks are continuing to develop. In the UK, the government and the Financial Conduct Authority have recently provided updates on the proposed new UK crypto-asset regulatory regime that is now

intended to take effect in 2026. In the EU, crypto-asset firms are preparing for the fast-approaching rollout dates of the EU Digital Operational Resilience Act, or DORA, and the remaining provisions of the EU Markets in Crypto-Assets Regulation, or MiCA." – <u>Steven Lightstone</u>

• For more information, view our <u>fintech</u> and <u>digital banking</u> capabilities and read <u>Planning For</u> UK And EU Crypto-Asset Regulations In 2025, *Law360*

Enhanced Supply Chain Security Enforcement Efforts

The US Senate Committee on Homeland Security and Governmental Affairs approved a bill that would enhance federal efforts to implement a new supply chain security enforcement initiative—a bipartisan effort to strengthen the role and authority of the Federal Acquisition Security Council (FASC). If passed, it would give Congress a direct role in identifying companies of concern and issuing orders to exclude and remove those companies from executive agency procurements.

"While the timing of the bill's passing is less clear, it may become law sooner rather than later. The bill now has bicameral support. Although it may be included in must-pass legislation later this month, if the bill is not included in legislation before year-end, then it may be passed to the next Congress, which will likely spend the first 100 days focused primarily on reconciliation and confirming President-elect Donald Trump's nominations in the Senate." — <u>Amanda Robinson</u>, <u>Barron Avery</u>, <u>Sarah-Jane Lorenzo</u>, <u>Emily Ahdieh</u>

For more information, view our <u>business disputes</u> and <u>white collar litigation and government investigations</u> capabilities and read <u>Preparing For More Limber Federal Supply Chain Oversight</u>, Law360

Significant International Structured Finance Reforms

In 2025, European structured finance will face the most significant regulatory reforms since the global financial crisis. While there is hope that securitization can once again play a key role in European capital markets, there is also a feeling that the market is approaching its final opportunity.

"Investor due diligence requirements are now de-linked from the Article 7 reporting requirements in the UK. . . . Now there is a principles-based approach, and an investor has to get 'sufficient information' to enable it to understand the risks of what it is investing in. There is a list of information that needs to be obtained, but it is not as prescriptive." – Merryn Craske

 For more information, view our <u>structured transactions</u> capabilities and read <u>European</u> Securitization Dreams of Transformation Via Regs Reform in 2025, *GlobalCapital*

Government Trifecta and Potential Influence on Medicare, Medicaid, and More

As the new US administration takes office and Republicans hold a narrow majority in both the US House of Representatives and US Senate, "this control trifecta is likely to affect both legislative and regulatory processes and provide pathways for potential changes to the drug pricing and reimbursement landscapes." Key drug pricing programs and other areas such as the Inflation Reduction Act, Section 340B Drug Pricing Program, Pharmacy Benefit Manager Transparency, Drug Importation, and the Bayh-Dole March-In Rights are among the key areas to watch. – <u>Stephen Forster</u>, <u>Alexander Hastings</u>, <u>Howard Young</u>, <u>Jacqueline Berman</u>

 For more information, view our <u>FDA and healthcare</u> and <u>US administration policies and priorities</u> capabilities and read <u>What 2024 Election Means for Drugs, Medicare and Medicaid</u>, Law360

Impact of New HIPAA Proposal on Healthcare Data Security

A proposed update to HIPAA rules mandates multifactor authentication and patient data encryption, raising cost and compliance concerns. The 393-page regulation, the first update in 12 years, is open for public comment, with its future under the new US administration uncertain.

"The big question I have right now is: What is the administration coming in going to do with this? . . . We're not seeing a wholesale overhaul of the rule. We are seeing a clarification of existing principles, and we're also seeing new requirements built in to address best practices, guidance and also even court decisions." – Michael Madderra

For more information, view our <u>digital health</u> and <u>cybersecurity</u>, <u>incident response</u>, <u>and</u>
 <u>privacy</u> capabilities and read <u>HIPAA Cyber Rule Shake-Up Arrives on Eve of Trump's Return</u>,
 <u>Law360</u>

Potential Congressional Oversight over NIL Rights for Student-Athletes

As the debate on the regulation of student-athletes' name, image, and likeness (NIL) rights continues to evolve, the NCAA will look to Congress to codify NIL protections and bring relief from future litigation, following the landmark \$2.8 billion settlement across three class actions in 2024.

"In fact, it is possible—albeit perhaps unlikely—that by this time next year a wholly new and reimagined version of the NCAA will have taken shape, with student athletes receiving direct payments from their universities, as well as other revenue streams tied to their exploitation of their NIL rights, which will be protected under federal law." – <u>Dana Gross</u>

• For more information, view our <u>intellectual property</u> and <u>sports</u> capabilities and read <u>The</u> Year Ahead: Here's What Our Readers Will Have on their Radar for 2025, *IPWatchdoa*

Antitrust Enforcement in 2025: Traditional but Not "Laissez-Faire"

The past year marked the culmination of the Biden antitrust era, with the Federal Trade Commission (FTC) and Department of Justice (DOJ) Antitrust Division taking a more aggressive stance on perceived anticompetitive practices. Under the new US administration, expect changes to the antitrust enforcement landscape, particularly as the FTC and DOJ shift their focus and strategies.

"Outside a few areas highlighted by the incoming Trump administration—such as content moderation and ESG initiatives—the signals point toward a more traditional regulatory environment. However, traditional does not mean a laissez-faire view of enforcement: sectors such as technology, healthcare, and ESG-focused initiatives, among others, will remain under scrutiny." – <u>Steven Reed</u>, <u>R. Brendan Fee</u>, <u>Noah Kaufman</u>, <u>John Ceccio</u>

• For more information, view our <u>antitrust and competition</u> capabilities and read <u>2024 Antitrust</u> & Competition Year in Review and Trends for 2025, *Morgan Lewis Report*

Secondaries Regulation Under a New US Administration

Under the new US administration, secondaries market participants are considering the impact in the United States of future regulation in this space. "There could be knock on effects from divestments from certain jurisdictions and potential tax and trade policy changes." – <u>Joseph Zargari</u>, <u>Ted Craig</u>

For more information, view our <u>secondary transactions</u>, <u>investment management</u>, and <u>US administration policies and priorities</u> capabilities and read <u>Trump Looms Large for North American Secondaries in 2025</u>, <u>Secondaries Investor</u>, <u>Secondaries Investor</u>

NEW AND EMERGING TECHNOLOGY

Navigating the Complexities of eDiscovery and Information Governance

"In the digital era, the legal field has undergone significant changes, and e-discovery and information governance are no exceptions. With rapid technological progress, evolving case law, and changing best practices, staying vigilant and adaptable is crucial. This article explores key areas where being informed and having the 'right' professionals at the table will be essential in 2025." – Scott Milner, Tara Lawler

 For more information, view our <u>eData</u> and <u>information governance</u> capabilities and read <u>Navigating the Shifting Sands of E-Discovery and Information Governance in 2025</u>, *The Legal Intelligencer*

Workplace Tracking Technologies and Their Impact

In late 2024, the federal Consumer Financial Protection Bureau (CFPB) released a circular outlining its stance that the Fair Credit Reporting Act (FCRA) applies to companies offering workplace tracking technology, including AI-generated algorithmic scores, as well as to employers who use this information in employment decisions.

"The CFPB's circular is a warning to employers using tracking technology, AI, or software to evaluate or assess 'workers' for employment-related purposes, as well as the entities that furnish that technology. Employers and technology companies should continue to monitor the views of new CFPB and FTC leadership on the scope of the FCRA in the coming year." – Alice Hrdy, John Lee, David Monteiro, Chloe Keating Leigh, Margaret McDowell

 For more information, view our <u>AI</u> and <u>employment counseling</u> capabilities and read <u>CFPB</u> Warns of Workplace Tracking Technology in US Firms, International Employment Lawyer

Space: A New Frontier for Data Centers and Data Privacy

As more companies expand their extraterrestrial operations, space-based technological infrastructure, such as low-Earth orbit (LEO) data centers, will be needed to maximize the benefits of such private space ventures. However, with international space law still in its infancy, companies developing space-based databases will need to determine which privacy regimes apply to avoid potential legal risks associated with such endeavors.

"As private space exploration, tourism, and other forms of commercialization become more common, more individuals will be traveling to space, and their data (particularly at first, health data) will sometimes have to travel with them. Federal privacy laws often require strict adherence to certain safeguards to protect the confidentiality and integrity of individuals' data. Companies that store covered data types in

LEO databases should determine on the front end which federal laws apply and design their datacenters in a way to allow compliance." – <u>Jared Wilkerson</u>, <u>Collin Hopkins</u>

 For more information, view our <u>aerospace and defense</u> capabilities and read <u>With Low-Earth</u> <u>Orbit Data Centers, Privacy Risks Go Beyond Space</u>, *Bloomberg Law*

The Rise of Autonomous AI Agents

AI agents, or "agentic AI"—essentially, AI-powered software programs that can take in new information on their own—are the next frontier in the commercialization of AI technology. However, this nascent technology raises novel legal questions touching on antitrust and data privacy concerns.

"It is also conceivable that agentic AI with pricing goals could resort to autonomously creating anticompetitive agreements with each other or with human counterparties, absent any express instruction from a human to do so. While it remains unclear if this possibility is realistic or practical, AI agents would seem to heighten the risk of this possibility compared with existing software because of the higher degree of autonomy and wider range of tools they may engage." – <u>Joshua Goodman</u>, <u>Minna Naranjo</u>, <u>Phillip Wiese</u>

For more information, view our <u>AI</u> and <u>antitrust and competition</u> capabilities and read <u>No Strings Attached: Agentic AI Tests Privacy & Antitrust Boundaries</u>, *Corporate Compliance Insights*

INDUSTRY-SPECIFIC DEVELOPMENTS

Automotive Industry Policy Shifts

Under the new US administration, anticipated policy shifts on trade, emissions, and electric vehicles are poised to create ripple effects across the automotive industry. Among the proposed changes is a potential rollback of California's vehicle emissions waiver, which has historically allowed the state to implement stricter standards than federal regulations.

"Any attempt to revoke California's waiver would lead to lawsuits and litigation, and it's unclear whether the waiver would remain in effect while the matter worked its way through the courts." – <u>Levi McAllister</u>

Additionally, the new US administration is likely to target programs intended to support EV sales, including consumer incentives and federal support for charging stations. However, undoing the EV provisions of the Inflation Reduction Act would need congressional approval, which may be difficult as automakers have invested in EV manufacturing facilities in regions represented by Republican lawmakers.

"It could have real political impacts on constituents in areas that are historically supportive of the administration." – <u>Levi McAllister</u>

For more information, view our <u>automotive and mobility</u>, <u>EV</u>, and <u>US administration policies and priorities</u> capabilities and read <u>5 Automotive Topics to Watch When Trump Takes Office</u>, <u>Automotive Dive</u>

Protecting Intellectual Property Rights in Space

The concept of intellectual property (IP) in space, already a rapidly growing field, could be poised for a breakthrough as interest in space exploration continues to rise. But what becomes of agricultural products grown in space, innovations developed in space, and content created in space?

"Right now, there is no one jurisdiction on Earth that protects the use of trademarks in 'outer space' — no outer space trademark office to protect a brand name nor an outer space court system to bring a claim for infringement. . . . The more we move towards the commercialization of outer space to consumers, the more we should start to think about how we are going to help companies protect their brands for the goods and services they plan to offer in outer space." — Rachelle Dubow

• For more information, view our <u>aerospace</u> and <u>intellectual property</u> capabilities and read <u>There May Not Be Life on Mars, But There Could Be IP</u>, *Law360*

Renewable Energy and Climate Policy Developments

In 2025, the fate of key energy and climate change policies and initiatives focused on accelerating the shift to renewable energy, addressing climate resilience, and limiting global warming in line with international climate goals will be determined by the new US administration. For example, the Federal Energy Regulatory Commission will have a new Republican chair, but Democrats will maintain a 3-2 majority (barring any commissioner resignations). So, while large-scale policy shifts are unlikely, a GOP chairman's ability to set the agency's agenda could be significant.

"The Biden administration implemented a 'whole of government' approach to environmental justice, and that includes permitting projects before FERC." – <u>Kirstin Gibbs</u>

Additionally, the incoming administration is anticipated to swiftly begin dismantling Biden-era regulations targeting climate change and industries dependent on fossil fuels in the new year. One major question for the oil and gas industry is what the US Department of Energy (DOE) will do with an updated liquefied natural gas export study released in November 2024.

"They could certainly start immediately to revise it and come up with a different conclusion, issue a supplemental report, and probably try to do that pretty quickly." – <u>Kirstin Gibbs</u>

• For more information, view our <u>climate</u> and <u>energy</u> capabilities and read <u>Top 5 Energy Policy</u>
Areas to Watch in 2025 and Top Climate Change Policies to Watch in 2025, *Law360*

The clean energy sector has experienced significant momentum over the past four years under the Biden administration, driven by substantial government funding through laws such as the Inflation Reduction Act (IRA). However, that momentum may diminish as Trump and Republican congressional leaders pledge to reverse some or potentially all this spending, with tax credits under the IRA a likely target.

"The IRA also contains other popular tax credits such as [Section] 45X, for advanced manufacturing facilities, and they may face scrutiny and possible revisions in any congressional amendment caused by concern that the owners of such new U.S. facilities actually benefit non-U.S. investors, such as China. We expect those concerns to be carefully debated since the local benefits of the manufacturing facilities as well as the onshore wind, solar and battery storage projects create jobs and needed investment in many communities in so-called red states." – James Tynion, Kenneth Nunnenkamp

• For more information, view our <u>energy and project development</u> and <u>international trade</u> capabilities and read US Could Soon Find Itself on Wrong End of Energy Disputes, *Law360*

Navigating Hydrogen Tax Credits Amid Potential Regulatory Shifts

In 2025, updated Treasury Department rules on hydrogen tax credits are poised to play a pivotal role in shaping the nuclear industry's involvement in the clean energy transition. The revised rules clarify pathways for existing nuclear plants to qualify for credits, extend deadlines for compliance, and aim to stabilize the nascent hydrogen market.

But despite these advancements, the rule's future is uncertain. "There is a possibility the rule could be revoked under the Congressional Review Act or altered by the Treasury and IRS under the second Trump administration." – Casey August

• For more information, view our <u>energy</u> and <u>tax</u> capabilities and read <u>Nuclear Advocates See</u> Improved Pathways to Hydrogen Tax Credits, *Bloomberg Law*

Asia's Secondary Markets

The continued development of the general partner-led private equity fund market is expected to drive further growth and innovation for Asia's secondaries landscape.

"The secondary market in Asia has evolved significantly over the last decade and is poised to emerge as a dynamic force in the global financial landscape. This market, where investors sell theirs stakes in private equity funds to new investors or where private equity firms arrange the sale of company stakes to new funds, has seen significant growth and evolution over the past decade." – <u>Divya Thakur</u>

 For more information, view our <u>secondary transactions</u> and <u>investment management</u> capabilities and read <u>Asia's Secondary Markets: Key Trends in GP-Led Transactions</u>, <u>International Financial</u> <u>Law Review</u>

UK's Approach to Sustainable Aviation Fuel

In 2024, the aviation industry saw several key trends shaping its evolution, with a focus on sustainability, innovation, and recovery from the pandemic.

"In April 2024, the [UK] government, following a consultative process beginning in July 2022, confirmed the details of the [UK SAF] mandate, one of the first in the world. The mandate sets progressive targets on aviation fuel suppliers to provide increasing quantities of SAF from 2025 to 2040. The Mandate is binding on jet fuel suppliers but will require support from airlines and airports." – William Yonge, Sidanth Rajagopal, Levi McAllister

• For more information, view our <u>aviation</u> capabilities and read <u>2024 a Significant Year for UK</u>
Development of Sustainable Aviation Fuels, *Airline Economics*

The aviation industry in 2025 is expected to face several challenges, some of which are longstanding issues and others that have emerged or intensified in recent years. These issues require coordinated efforts from governments, airlines, manufacturers, and other stakeholders in the aviation ecosystem to ensure a sustainable, safe, and efficient industry.

"Following years of unprecedented upheaval for the aviation industry, there are strong signals that many parts of the market are set for exponential growth in 2025. Global airlines body IATA forecast industry-wide 2025 revenue of more than a trillion dollars and record passenger numbers. However, the market is not without challenges. Supply chain issues, geopolitical tensions, potential strike action, and a drive towards technology and efficiency continue to present potential threats." – <u>James Bradley</u>, <u>Nichola Foley</u>, <u>Brendan Killeen</u>, <u>Paul Mesquitta</u>, <u>Sidanth Rajagopal</u>, <u>Bruce Silvers</u>

 For more information, view our <u>aviation</u> capabilities and read <u>2025 – Clear Skies of</u> <u>Turbulence Ahead?</u>, Airline Economics

Managing Aerospace Supply Chain Risk

In 2025, governments and companies alike will focus their efforts on addressing aerospace supply chain vulnerabilities. In recent years, weak links have been exposed that have delayed both commercial and government product programs at key moments. Corporate and government leaders are now looking for ways to address these vulnerabilities at all stages of the supply chain.

"As the aerospace industry enters 2025, expect changes within it to be driven by a mix of domestic emphasis, diversified investment strategies, and strategic M&A activity, with the ultimate goal of strengthening supply chain resiliency. As companies and governments navigate evolving geopolitical tensions and economic pressures, prioritizing innovation and compliance will be key to success in this dynamic landscape." — Stephanie Roy

 For more information, view our <u>aerospace and defense</u> capabilities and read <u>"Buy America"</u> or <u>Go Home?</u>, <u>Industry Today</u>

UK Regulation for Medical Device Reliance

Amid a complex regulatory landscape, the UK's life sciences industry continues to adapt following Brexit to maintain competitiveness and equivalence to other regulatory regimes governing the medical devices space.

"International reliance is a mechanism whereby certain medical devices could access the UK market more quickly if they have already been approved by a comparable regulator rather than undergoing a further full review for UK purposes only. During late 2024, the Medicines and Healthcare Products Regulatory Agency (MHRA) as part of a broader consultation on routes to market, restated its intention for the future UK regulation of medical devices to rely on the work of four other comparable regulator countries, describing it as a 'smarter' form of regulatory oversight. The final plan will be published along with the future regulations during 2025." — Paul Ranson

For more information, view our <u>life sciences</u> capabilities and read <u>Looking Ahead in 2025 and MHRA Reliance</u>, <u>Pharmaforum</u>

Beauty and Wellness Outlook

Due to the continued popularity of beauty products marketed as "green" or "clean," 2025 will be the year of wellness and sustainability for the beauty and wellness industry. However, the use of such terms in beauty product marketing could land companies in hot water if not handled appropriately.

"Despite the popularity of 'green' and 'clean' beauty, these industry buzzwords remain largely undefined. This means that consumers and companies do not necessarily see eye-to-eye, making wellness and sustainability claims attractive targets for consumer-driven false advertising litigation. So long as there is ambiguity around the meaning of these terms, we can expect this scrutiny to endure." – Rachel Raphael

 For more information, view our <u>consumer protection defense</u> and <u>retail and ecommerce</u> capabilities and read <u>Beauty in 2025</u>: <u>Changes, Regulations, Trends Shaping the Year Ahead,</u> <u>HBW Insight</u>

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